

MINUTES OF THE BOARD OF SUPERVISORS COUNTY OF LOS ANGELES, STATE OF CALIFORNIA

Sachi A. Hamai, Executive Officer-Clerk of the Board of Supervisors 383 Kenneth Hahn Hall of Administration Los Angeles, California 90012

At its meeting held August 14, 2007, the Board took the following action:

46-C

The following statement was entered into the record for Supervisors Yaroslavsky and Knabe:

"In October of 2006, the County's Section 8 Program was designated 'troubled' by the United States Department of Housing and Urban Development (HUD) because it received only 73 out of a possible 145 points on HUD's annual rating system.

"The Section 8 program is of vital importance to this Board's efforts to secure safe and decent housing for County residents and this unsatisfactory level of performance was, and is, deeply concerning. Fortunately, this is the first time that the County's Section 8 program has been designated 'troubled' and the Housing Authority and the Board of Supervisors has responded quickly to solve the identified problems. Specific improvements include:

- Reorganization of the Section 8 Management Team;
- Contracting with experts to help reform business practices, provide additional quality control, and assist with staff training;
- Acquiring a new software system to achieve efficient and accurate processing of voucher applications;
- Utilizing added housing locator services to help participants find homes; and
- Enhanced oversight and interaction between Housing Authority management and the Board of Supervisors.

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"As a result of these concentrated efforts, the Housing Authority's internal review indicates that the Program's projected score for the current year should be sufficient to remove its 'troubled' designation.

"However, HUD's recent communications to the Housing Authority indicate that they continue to have questions about the Section 8 program, particularly in the area of governance and oversight of the Housing Authority, and may wish to impose additional corrective actions on the Program. While we look forward to establishing a cooperative relationship with HUD, it is critical that decision makers at that Federal agency work directly with this Board prior to reaching any final conclusions about the adequacy of the Housing Authority's governance mechanisms and before deciding what, if any, additional steps need to be taken to improve the Program's performance."

Therefore, Supervisors Yaroslavsky and Knabe made a motion that the Board instruct the Executive Officer of the Board to send a five-signature letter to the Secretary of the United States Department of Housing and Urban Development (HUD), Alphonso Jackson, requesting an immediate meeting between HUD decision makers and the Board of Supervisors, or its representatives, to directly address HUD's concerns about the Section 8 Program and mutually decide what, if any, additional steps should be taken to enable the Program to eliminate its "troubled" designation and ultimately achieve the highest possible level of performance.

Supervisor Antonovich made the following statement:

"Due to the 'troubled' designation of the Housing Authority of the County of Los Angeles' Section 8 Program, the United States Department of Housing and Urban Development (HUD) has assigned a HUD advisor. Scheduled to begin work on August 22, 2007, the advisor's duties include: implementation of new management plans or changes to existing plans; carry out items contained in the corrective action plan; oversee general financial management functions pertaining to budgeting and applying for HUD funds."

Therefore, Supervisor Antonovich made a motion that the Board acting as the Board of Commissioners of the Housing Authority, direct the Executive Director to respond to the following questions at the August 21, 2007 Board meeting:

1. Why has the Housing Authority staff been unable to complete negotiations with HUD, and what are your objections to the Corrective Action Plan?

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- 2. Did staff confirm with HUD officials what steps are required to remove the "troubled" designation?
- 3. Why did staff wait until early August to inform the Board of Commissioners about the HUD advisor?
- 4. Of the roughly 3,400 housing authorities in the country, how many have the "troubled" designation, and how many has HUD assigned an advisor?

Bobbette Glover, Assistant Executive Director of the Community Development Commission/Housing Authority responded to questions posed by the Board.

Terry A. Wilburn also addressed the Board.

In addition, Supervisor Knabe requested that a status report on the Housing Authority's corrective action plan be included with the Executive Director's report on Tuesday August 21, 2007.

After discussion, on motion of Supervisor Antonovich, seconded by Supervisor Yaroslavsky, Supervisors Yaroslavsky and Knabe's motion, as amended, was unanimously carried.

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Copies distributed:

Each Supervisor
Chief Executive Officer
County Counsel
Executive Director of the Housing Authority

Letter sent to:

Secretary, United States Department of Housing and Urban Development